

AIRGRAM

INTERNATIONAL COOPERATION ADMINISTRATION

SECURITY CLASSIFICATION
OFFICIAL USE ONLY

FROM - **TEHRAN**

SUBJECT - **Narcotic Situation in South Asia and the Far East**

REFERENCE - **TOICA 1001, 6 Jan 1959; IOATO Cirer 1001, 9 March 1959**

PAGE 1 OF 30
DATE 10/10/59
8-7-59

DISTRIBUTION
ACTION
INFO
PSS
GTH
Opub
M PSI
Good
OPH
Nesac
Nesac
ADM
Pers
Nesac
Add
No
Sa
Ofe
Add
DPO
Neap
Jats
MSR
Sarp
HME
R
Johnson
ASST DIR MONT

ACTION INFO ADDRESS AND SERIAL NUMBER
I IOAT TOICA A-100

This report has to do with the narcotic situation in certain countries of Asia visited by Garland Williams, Narcotics Advisor, Public Safety Division, USOM-Iran, while traveling to the United States on leave during the period 21 March to 14 April 1959.

PURPOSE

The purpose of this Advisor's trip was to study the narcotic trafficking situation as well as the organization and plans for drug control in certain of the countries which have been or will be affected by the Iranian Government's narcotic prohibition program; to the end that United States objectives in this field are facilitated, that the internationally significant effort in Iran to completely prohibit opium poppy cultivation and common drug addiction shall meet with full success, and that the overall objectives of the worldwide narcotic control system might be furthered.

BACKGROUND

It is well to remember that for more than one hundred years Iran was probably the greatest producer of opium which escaped into the illicit traffic and which, thereafter, poisoned the minds and bodies of persons throughout the world. Persian opium in the familiar stick form was a scourge to law enforcement in many nations. During World War II, huge quantities of the drug were moved by enemy

Handwritten signatures and stamps: CIA, State, Army, Navy, FBI, USOM-Iran, Williams, etc.

SECURITY CLASSIFICATION
OFFICIAL USE ONLY

ICA AND OTHER CLEARANCES

PHONE NO. DATE
2470 7/25/59

agents from Persian Gulf ports to strategic areas for the subjugation of peoples friendly to America and its allies. A solution to the historic "Persian Opium Problem" has long been sought by enlightened men in and outside Iran.

Under a law enacted in October 1955, and now being strengthened by amending legislation, the Iranian Government is making a noble effort to eradicate the growth of opium poppy in the country and to prevent the delivery of any type of drugs to its addicted men, women and children. The National Police are combating the criminal traffickers in the cities; the Gendarmerie are seeking out the cultivators of poppy and the dealers in drug in rural areas; the Narcotic Office in the Ministry of Health is using all available media to accurately inform and orient the public, and to counter the selfish forces which would revert to the loathsome past; and the Customs Guard is carrying on the extremely difficult task of attempting to prevent the smuggling of contraband drugs into Iran from other countries in Asia.

Iran's formally announced decision to discontinue commercial production of opium, and to remove itself from the list of countries supplying this drug to the illicit market is of great importance to the United States. It is also important to other nations, because final success of drug control programs in all countries depends upon an effective limitation of world production of opium to no more than world requirements for medical and scientific needs. Unfortunately, the great work now underway in Iran is seriously threatened by the deluge of contraband opium and other drugs that are flowing into the country from contiguous territory as well as from more distant Asiatic lands. It is vital to Iran and the United States, as well as to the entire world, that the poppy-growing nations of Asia urgently take such actions as are necessary to reduce opium production to the bare quantity allowable under international protocols, and that they insure that none of their opium reaches the hands of illegal traffickers or that any drug passes through their territory contrary to laws and treaties.

GENERAL COMMENT

Unfortunately, there is still widespread excessive cultivation of poppy in Asia, and tremendous quantities of opium are being sold to smugglers who illegally move the contraband to clandestine heroin factories operated by international criminals. An important aspect of this matter is that extensive growth of opium poppy in a country, and uncontrolled narcotic drugs, may seriously endanger such a nation

during any future war. It is a fact that under the stresses of campaign, soldiers of armies operating in territory where opiates are freely available will become addicted, and thereafter will be worthless as fighting men. It is regrettable that in some countries of Asia the traffic is tolerated, or even facilitated by corrupt officialdom, and little is being said or done to terminate the vice by those in position to seek remedial action. It is essential for the accomplishment of overall American aims that our representatives in such places urge the governments to initiate and actually enforce effective control measures. We should also offer to render such aid as is practicable and appropriate to insure success of a proper narcotic drugs control program in these affected areas.

The Treasury Department's overseas narcotic investigative agencies are, largely, now located at transit points in the underworld narcotic network. These highly competent men are engaged in a valiant effort to identify the shifting echelons of the secret drug smuggling organizations, and to assist the country's police and customs officers in moving energetically against the traffickers involved in the movement of contraband drugs towards the United States. This will be a never-ending task at these transit points so long as opium is grown and traded without strong controls in the poppy producing areas of Asia. American agents in Tokyo, Hong Kong, Singapore, Beirut, Rome and Paris can never be decisive. Their work is important, but they are located at peripheral points of the problem. The complex and highly organized underworld commerce with which they deal originates in the poppy fields of South Asia, and it is in these places where the culprits and the physical evidence can be most easily located, identified, and dealt with. An example of the situation at this time is that almost all the opium used in the clandestine heroin laboratories of Europe and the Near East, which supply the Atlantic seaboard of the United States, comes from Turkey, but there is no American technician in that country to give expert attention to the easily apparent necessities of the situation. Again, the vast bulk of the opium processed in the underworld of Hong Kong and Macao is first transported southward through Thailand and Burma, and from those countries moved to illegal factories which prepare heroin and ship it to the West Coast ports of the United States, but there are no American narcotic experts in either Bangkok or Rangoon to give on-the-spot attention to the notoriously known factors so seriously in need of corrective action. And again, a large part of the opium that transits through Singapore to the United States originates in the producing areas of India and Pakistan, but there is no narcotic

technician on the sub-continent to keep informed about the rapidly developing situation and to aid in executing programs designed to prevent this very large source of drug from once again menacing the world.

It is well recognized in most countries of the world that control of narcotic drugs must not be looked upon as a purely domestic affair. The nature of drug addiction, the ease with which drugs can be smuggled, and the large profits obtainable from the traffic by the criminal underworld are factors that inevitably result in widespread distribution of any excess quantities of drugs that are allowed to accumulate anywhere in the world. Because of this, the United States, a principal victim of the poisonous traffic, is entitled to use its best efforts to urge the various governments to secure passage of good drug control legislation, to create efficient organizations for enforcement, to provide the means required for a successful enforcement effort, and should assist the government generally in carrying out its due portion of the world program to strictly limit opium production to established world requirements. It would appear to be a matter of great importance to the health and welfare of Americans in the United States and to the best interest of our programs abroad for the State Department to have narcotic technicians in its Missions in the opium producing countries. This should be given high priority in certain places where the government is failing to carry out its clear obligations, and a narcotics technician ought to be stationed in Ankara, Bangkok, Rangoon, and possibly New Delhi, with the mission of working with the government in a program to more effectively control narcotic drugs and combat international drug traffickers. In the other countries of Asia where opium is grown, the American Mission should assure that all of its existing agencies seek to assemble and report all credible information pertaining to the narcotic situation. Where appropriate, a narcotic technician should be temporarily assigned to assist in the work.

It is regrettable that in many instances American officials overseas are inadequately informed, and poorly oriented on United States policies regarding the traffic in narcotic drugs. They are, also, uninformed as to the official U. S. position with respect to common aspects of the problem. Many of their ideas on the narcotic problem are based on false newspaper reporting or deceitful magazine articles written by misguided persons in an effort to destroy a national or the worldwide program for control of poisonous drugs. Some officials listen to the ideas of local persons and become converts to narcotic doctrines that have unhappy geneses or represent only a selfish interest of restricted classes of persons. The American simply does not have sufficient facts to refute the arguments of those who are attempting to sway him. His reports soon commit him to a line of thought that is not helpful to the accomplishment of American aims in the international control program.

SITUATION IN CERTAIN COUNTRIES

PAKISTAN

Opium is smuggled from Pakistan into Iran. Conversations were held with narcotic control officials in Karachi regarding this illegal traffic, which constitutes an impediment to the Iranian drug prohibition program and must be curtailed. It is necessary that the Government of Pakistan exercise a tighter control of the opium produced on her territory; become more successful in preventing the illicit movement of Afghani opium in transit through Pakistan to Iran and elsewhere in the world; prevent the delivery of opium to Iranian buyers in the vicinity of Zahedan and Gwadar; and stop the illegal export of opium from Karachi by boat, ship, and airplane.

The Iranian Customs Guard regularly makes large seizures of opium near Zahedan, and it is well known that the contraband is procured in Pakistan. Caravans loaded with all types of merchandise, including narcotic drugs, pass from Pakistan into Iranian Baluchistan and thence into Kerman where they are intercepted by Gendarmerie units and seizures made after extended chases and combat. Opium grown in Afghanistan is transported by caravans to the border of Pakistan near Chaman, and then smuggled into Quetta, from which place it is carried by rail to points near Iran. Smugglers leave the trains with their containers of drugs at places distant from border rail-control points and carry the drugs by man and burro pack trains to the actual boundary. There it is delivered to the large-scale smuggling organizations that operate in the area. At Karachi there is a heavy movement of contraband goods outward by small boats to Gwadar and to the south coast of Iran as far as the Persian Gulf, and opium is known to be included in these cargoes. In addition to developing a dependable informer net, tightening up border patrols, creating an expert narcotic investigative agency, and materially increasing penalties, the Pakistanis ought to use trained opium detecting dogs to locate opium on border-crossers, or in baggage of travelers on trains, buses, boats, and planes.

Iranian law enforcement agencies receive much information regarding Pakistani smugglers and their activities inside Pakistan. When arrests and seizures are made along the border, evidence of value to Pakistan courts is frequently available. On the other hand, it was found that in Karachi Customs Officers learn much about the smuggling of contraband into Iran by boats and caravans. Officials were generally familiar with the stories of Afghani opium passing through the country; domestic opium

OFFICIAL USE ONLY

PAKISTAN (Continued)

being diverted into the illicit traffic by licensed farmers; poppy grown without license in the northern areas; and seizures of Pakistani opium at foreign ports from Singapore to the Persian Gulf. There is no reason why this information should be withheld from each other, and the two countries should be encouraged to provide a means of continual interchange of anti-smuggling information at border points and at enforcement supervisory level.

It is obvious that experienced narcotic investigators in Pakistan could develop evidential facts concerning these generally known situations, and the government should be urged to set up a special investigative agency authorized and directed to correct existing conditions. If Pakistan does not control opium in its territory more effectively, and continues to permit its drug to be sold into Iran and other countries in contravention of such country's laws, other nations should consider withdrawing their approval of Pakistan's status as an opium producing state. Pakistan is an ally of the United States and large sums are being expended to strengthen the Pakistani Army. In this connection, a warning is in order that any military operations in Pakistan will be endangered if opium poppy is grown in the area without control. Soldiers will obtain and use the drug and soon become more than useless as fighting men. The poppy crop at this time is not of great value to the government, and few farmers benefit legitimately from the commerce. On the other hand addiction is reported as being large, and is sapping the strength and virtue of many persons; farmers are in alliance with criminals; smugglers disturb the balance of foreign trade; and relations with neighboring states are aggravated. A wise move at this time by the Government of Pakistan would be to abandon the production of opium, forbid the common usage of narcotic drugs, and destroy the drug trafficking organization along the seacoasts and land frontiers.

Pakistani officials expressed themselves as being anxious to aid Iran in its effort to rid the Iranian people of the curse of drug usage. They agreed to promptly strengthen their anti-smuggling effort in the vicinity of Zahedan. They said they would move promptly to establish a narcotic board to coordinate and intensify the work of the various responsible agencies. They stated their agreement to hold conversations with Iranian narcotic enforcement agencies looking towards routine exchange of information, ideas, and evidence regarding narcotics at the operational level along the border, as well as at the enforcement supervision level at the capitals. Mr. Aslam of the Central Board of Revenue at Karachi said that the government would send Colonel Mugaftar Khan of

PAKISTAN (Continued)

the Intelligence Bureau to Tehran at an early date to initiate a program of cooperation and study the situation in Iran as it concerns Pakistan.

Because drugs made from Pakistani opium probably reach the United States through Singapore and other ports, and because the United States is interested in full success of the Iranian program, it is considered entirely proper for the American Mission in Karachi to indicate a strong interest in the points set forth in this report and to urge the government to take appropriate action. The American delegation to the United Nations Commission on Narcotic Drugs might well study this report and the reports hereafter submitted from Karachi, and make appropriate comments at the annual conferences.

So far as could be learned, little pertaining to drugs in Pakistan has been reported to Washington, although it was determined that considerable information on this subject is possessed by some American officials. In some instances officials who ought to know about this problem were poorly informed and, also, were unaware of the international aspects of American drug control policies. Americans concerned with agriculture, public health, customs, and law enforcement should be directed to take advantage of normal opportunities to obtain information about poppy plantings, drug usage, and control efforts, and to submit reports of credible information for transmission to Washington. ICA personnel operating from Peshawar, Rawalpindi, Lahore, and Sultan are in excellent positions to learn about the planting of poppy and the production of opium, and to form opinions as to the amount being diverted into illicit channels. Embassy records should contain reports of the Permanent Central Opium Board at Geneva which will supply data on the official reports of Pakistan concerning its recorded production. Personnel visiting the area of Chitral should seek facts pertaining to poppy planting, and the movement of opium southward. Information is also needed regarding the northward movement of Pakistani opium in conjunction with the Soviet-bound drug traffic from Badakhshan in Afghanistan. Americans in Karachi can learn much about the handling of drugs by maritime smugglers through simply reading the local newspapers, but this must be verified and supplemented by routine contacts with responsible police and customs officers. The Agricultural Attache should make regular visits to the opium factory at Lahore, and submit reports on their operations, stocks, sales, experiments, and plans.

The narcotics laboratory at Lahore should be encouraged to go forward energetically with the program for scientifically determining the

OFFICIAL USE ONLY

PAKISTAN (Continued)

origin of opium. This will assist in identifying Afghan opium found in Pakistan, and provide a sound basis for advices and protests to the government at Kabul. Undoubtedly, this research program can be extended to identify seized opium as being a product of certain areas, or even a specific farm in one of the several growing areas. This would be of immense aid to the police in orienting their investigations, and to the courts handling prosecutions of drug distributors. Also, it is desired that the Pakistani narcotic research chemists establish contact with their colleagues in Tehran (Dr. Zorastrian, Director General of Laboratories; and Dr. Hashemi, Chief of the Narcotic Laboratory, in the Ministry of Health), and have periodic discussions, of purely technical type, concerning narcotics. It is hoped to include Turkey, India, and Afghanistan in these regional conferences of narcotic chemists.

Efforts are being made by the International Police Organization (INTERPOL) to convene a conference of regional criminal investigation officials at Lahore during late 1959, and it is said that this will be preceded by a 3-day narcotic seminar. Someone from the American Bureau of Narcotics ought to be present at this conference, and the U.S. should offer to provide experts to render any aid required to insure maximum benefits from the unprecedented assembly.

In addition to present and past enforcement and control officers, possible sources of information concerning opium in Pakistan are:

Mr. Roberts, Botanist, Gordon College, Rawalpindi,

Dr. Wright, Pharmaceutical Manufacturer at Quetta,

Mr. Afzal, Director of Excise & Tax at Lahore,

Dr. Majid Khan, Principal, Medical College at Hyderabad.

Undoubtedly, these men can furnish names of others well informed as to the present situation. They can also identify leaders in the country who are opposed to the traffic in narcotics and who might assist in securing corrective action. It is understood that Sir William Roberts and SBS Kartar Singh published in 1951 a book entitled "A Textbook of Punjab Agriculture," which contains valuable data on opium poppy and which should be purchased by the U.S. Bureau of Narcotics for its reference library. One copy ought to be furnished to the Narcotic Advisor USOM-Iran.

PAKISTAN (Continued)

The writer had only three days in Karachi and was prevented from going to Lahore because of unusual crowded conditions there during international cricket matches. Time should have been scheduled to seek information along the general line of Multan, Lahore, Rawalpindi, Peshawar, Chitral, Quetta, Chaman, the area near Zahedan, Gwadar, and Karachi. At some time in the future, the writer or another narcotic technician should be given this mission and provided with the necessary transport and assistance. Pakistan should be the locale of continuing inquiry regarding narcotics production and smuggling not only on the basis of its own shortcomings in this field, but because it is the area through which Afghan opium now reaches the western world and in which this traffic can be studied and opposed.

INDIA

It is thought that India may now have as many as one million drug addicts, even though in 1949 the government pledged that for a period of ten years there would be an annual ten per cent reduction in the quantity of opium made available for internal consumption. This scheme was intended to end the official distribution of opium in 1959 but, as was foreseen by experts having practical knowledge of such matters, it has not accomplished its stated purpose of eradicating narcotic addiction in India. There are probably several times as many addicts in the single city of Calcutta as in the entire United States. In Delhi, there is no difficulty whatever in locating opium dealers, and examining their stocks while bargaining for large amounts. Residents and businessmen along the street readily direct a stranger to the neighborhood opium distributor, and it would be contrary to reason to maintain that the police are unaware of the illegal traffic.

In accord with its assurance to the world in 1949, the Government of India is, in 1959, taking itself out of the business of selling opium to addicts through government-licensed shops. However, this seemingly worthy action loses its good character when it is noted that at the same time State Governments are being newly authorized to procure opium from the government's stocks and sell it to users on the authority of certificates issued by physicians. Instead of a few opium distribution centers operating under centrally issued policies and directives (which was bad enough), there will now be a loose system of permits issued by doctors in conformity with policies and practices varying from state to state. One can be sure that drug

INDIA (Continued)

usage will not decrease, and the number of persons certified by careless or unscrupulous physicians will increase. It is unfortunate that the government does not exercise greater determination in its avowed intent of eliminating common drug usage among the people, even though it is publicly known that among the opium smokers are former rulers and other prominent persons.

Drug addiction in India is not a domestic matter of no concern to foreign nations. The United States and other governments have an obligation to their own peoples to try to cause corrective action in the opium producing and using nations; for, where there is addiction, there will be criminals who supply the addicts, and these rapacious drug peddlers are never satisfied with their ill-gotten local gains. They will always seek out foreign markets whether they be in the Americas, in Europe, or elsewhere in the world. The drug traffickers of Bombay, Calcutta, and other cities of India support themselves from day to day on their local sales, but they are ever ready to supply the heroin manufacturers in Singapore, Hong Kong, and other places around the world.

The great experiment in Iran has furnished positive proof that the regular supply of opium to hundreds of thousands of users throughout a land may be abruptly and decisively stopped without lasting harm to any. Over a million Iranian addicts suddenly found their supplies from official sources cut off completely. They found that stern police action against illicit dealers had made opium difficult to obtain, and too high priced for ordinary persons to buy. Costly hospital treatment programs were unnecessary, and users were simply forced to abstain from using drugs. No opium users have died because of this ban, and the short period of discomfort is a forgotten phase of the rehabilitation of hundreds of thousands of worthy citizens.

For a long number of years India has led the argument that opium addicts must be tapered off, and that her masses of users must be furnished their supplies regardless of the harm done to themselves and to others. Her leaders should be urged to study the Iranian program and, at this late date, take stern action to terminate the consumption of opium in India. This action would not only be of immense value to the health and welfare of the Indian people, but would remove from the world one of the historically notorious centers of drug addiction and its supporting drug traffic.

INDIA (Continued)

India is producing more opium than can be justified under her international commitments, and her leaders have in mind increasing still further this crop. During 1958, India must have produced in excess of 800 tons of opium at the farm for, after extracting 30% moisture, the new stocks amounted to 525 tons and at least 10% of the crop is believed to have been diverted to smugglers. This figure is more than the total world requirements for medical and scientific use. Statements made to the writer indicate that the production goal is 1000 tons per annum, which is far in excess of that which can be sold legitimately. The United States Mission in New Delhi and all who are concerned with international drug control must remember that once before in modern history, India's production of opium became excessive to her needs with the result that millions of persons in distant lands were led into addiction in order to provide a market for her poisonous goods.

The dominating position India is apparently seeking in the opium business bids fair to make a mockery of the widely supported programs for limiting world production of this drug strictly to legitimate world needs. India is ignoring any suggestions of abiding by established quotas, and is building up a stock that will unsettle the world market for many years. Her actions threaten the poppy farmers of other producing nations, and the result may be a centralization of supply of this essential drug that will not be to the best interests of the western nations, and the United States in particular.

Planting of poppy is done under license in a large part of the sub-continent, even though it is stated as being limited to only three states. It happens, however, that these are the immense states of Uttar Pradesh, Madhya Pradesh and Rajasthan. It is extremely difficult to prevent licensed farmers scattered over wide areas from selling portions of their crops to underworld dealers, for the illicit buyer will pay several times as much as the government offers. It can be expected that between one-tenth and one-third of the production goes into the hands of illegal buyers. This means that within a very short time, possibly 100 to 300 tons of opium will be diverted annually from the poppy farmers of India into the hands of narcotic gangsters throughout the world.

It is also reported that large quantities of opium are produced in Assam by unlicensed planters, and the ultimate destination of this drug is unknown to the outside world. Part of it may move southward through Burma and Thailand, a portion may move to Calcutta, and large quantities are used in the area by addicted tribal peoples. It may

INDIA (Continued)

he said that drug traffic in this isolated area is of no interest to the United States but this is not true. During World War II, this "isolated and distant" drug situation caused many American soldiers to become addicts, and use of the local opium by American forces operating in the area is a black mark in our narcotic history.

Every practicable effort should be made, now, by the American Mission in India to collect information concerning the planting, harvesting, distribution, and use of opium in India. Official statistics should not be relied upon, and the many Americans working extensively in the fields of agriculture, public health, revenue, customs and police should be called upon to report their findings regarding the narcotic problem. Of particular importance is the amount of opium held out by farmers from the government collection system, and either sold by them to illegal dealers, or used by themselves and family. Ordinarily, a farmer will secrete in his house, or bury in the ground near his domicile a few kilograms of his crop so that he may gain the large prices paid by itinerant unlawful traders who travel through the producing areas. Also, merchants and small shopkeepers in nearby villages take this illegal opium from the farmers in exchange for goods previously furnished. It is easy to induce these local businessmen to display the stocks they have accumulated for sale to non-official traders. There are probably anti-opium associations in India, and these organizations will usually have much information regarding the illicit traffic in their possession which they will be pleased to furnish to anyone who is concerned about the opium problem.

In March 1959, there was an "All-India" narcotics conference at Hyderabad in Andhra Pradesh which was attended by representatives of all agencies responsible for drug control. The work of the past ten years was reviewed, and decisions made affecting future programs. The record of this conference would be very informative, and possibly of interest to American narcotic policy makers. It is suggested that the Embassy in New Delhi procure copies of the proceedings for submission to Washington. Because of the probable effect of the excessive Indian opium production on the Iranian program, one copy should be sent to Tehran for study by the Narcotics Advisor, USOM.

The Central Board of Revenue in India intends to experiment with a new scheme to induce farmers to turn in to the government all opium harvested. This plan provides that the past production records of

INDIA (Continued)

each licensed farmer be analyzed and maximum recorded production ascertained. This figure will then be stated as the production capability of the plot of ground. At the time of harvest the farmer will be paid the highest price for his opium if he turns in the full amount shown as his possible production. He will receive progressively lower prices according as his turn-in is lower than the recorded harvest potential. Mr. B. N. Banerji, member of the Central Board of Revenue, Ministry of Finance, claims this procedure will solve the diversion problem at farm level. He expects that the farmers will turn in maximum percentages in order to obtain the higher official price. The writer doubts the efficacy of this scheme. First, the past production records are probably inaccurate, and do not include the part of the crop then sold to unofficial buyers. Next, the difference between the usual price paid by smugglers and the price paid by the government is so much larger than the difference can possibly be between the scaled prices of the new scheme, that there will be no inducement for the farmer to change his sales policies of the past. However, the serious need in other producing nations (especially Turkey) for a practical procedure that will solve this problem is so great that we can only hope that India will find a practical solution. It is, therefore, hoped that the U.S. Embassy in New Delhi will keep well informed regarding this matter, and submit detailed reports on the program. The writer would like the opportunity to present to the Turkish opium control authorities any beneficial ideas that may be gleaned from the Indian experiment.

It would appear that India is rapidly developing the manufacture of pharmaceutical preparations having narcotic components. Perhaps more than 50 tons of opium is being utilized in this manner. It would be helpful if this portion of the Indian narcotic program were made the subject of special inquiry. Figures for 1958, furnished to the writer, showed over 500 tons of export-type opium produced and 400 tons exported. It was claimed that 50 tons were used for manufacture of pharmaceuticals, and 25 tons distributed to opium addicts. The remaining 25 tons were not accounted for definitely. In this connection it seems that the opium factory at Ghazipur manufactures some preparations which will now be distributed by the medical officials of the states. It is not clear whether this production is included in the pharmaceutical production.

It is recommended that regular visits be made by American officers to the government factory at Ghazipur. The opium stocks on hand and the security measures for their protection from theft should be the

INDIA (Continued)

subject of periodic inquiry and report. Any experimental work underway regarding poppy cultivation, and papers pertaining thereto, would be of interest. Figures on domestic and foreign sales, as well as production reports by areas, are important.

Information pertaining to enforcement organization, programs, and results are obtainable at the narcotic agency located at Simla. It is hoped that some form of regular contact can be developed at this office, and continuing information reported as to the extent of illicit trafficking, as well as the effectiveness of the various control efforts. Success or failure of the Indian agencies in this field will affect the enforcement situation in the United States during future years.

At the Central Revenue Control Laboratory in New Delhi, Chief Chemist Krishnan and Chemist V. J. Bakre are attempting to develop an origin of opium research program. If they pursue the matter, they can be of great aid to the police in identifying the specific farms from which opium is sent into the illicit traffic in the cities of India. It would be of value to the development of the country if their work could be made successful, and it may be that ICA in India would be able to assist. Mr. Krishnan seems competent and interested, and worthy of support. Chemist Bakre studied narcotics analysis in Canada last year in company with selected chemists from Singapore, Iran, and Turkey, and is prepared to carry on the detailed research work. Dr. Krishnan thought it an excellent idea that these U.N.-trained narcotic chemists should work under a technically coordinated program achieved by direct correspondence between the various laboratories, and reviewed from time to time at regional meetings. Mr. B. N. Banerji was present at this discussion and freely stated his approval of the idea. It is requested that the U. S. Mission in New Delhi follow up on this matter and attempt to expedite this program. The U. N. Narcotic Laboratory at Geneva ought to participate in the regional assemblies, and the U. S. ought to have a technical expert present.

All of the above represents a considerable amount of work to be done in India. Some of this could best be accomplished by an experienced narcotic agent stationed in the country, either as a member of the Embassy staff or in the technical aid mission. However, arrangements for such a position are time consuming, and it may be that no later than 1 February 1960, a narcotic expert should be sent to India for a visit to the different points mentioned in this report. He should be provided with a vehicle so that he can move freely in the affected places.

BURMA

Burma has an especially difficult narcotic enforcement problem, but the attitude of the Burmese officials gives one a feeling of encouragement that they could be made to succeed in ameliorating the present unfortunate situation. American officials in the country also give evidence of a willingness to try to do something constructive by assisting the government to carry on an effective drug control program. The Burmese officials were not reluctant to talk about their work and the difficulties encountered. They did not seek to conceal the problems confronting them, and appeared frank in discussing all aspects of the situation, including such matters as graft, collusion, political relationships, and extent of sovereignty. The writer gained a very distinct impression that a Narcotics Advisor could be of great value in Burma, and that he could easily develop beneficial working relations with both Burmese and Americans concerned with the drug problem.

Burma is surrounded by opium producing countries, and termination of the drug traffic inside her borders is made unusually difficult because of the heavy poppy cultivation near her frontiers and deep in contiguous countries. She has a thousand miles of border with Thailand, where opium is cultivated and little is done to interfere with its transportation. She has another thousand miles of frontier with Communist China, and there is little hope of securing any help there in stopping the flow of "Yunnan" opium southward. She has one hundred and fifty miles of border with Laos, where opium is grown and used profusely. She has a thousand miles of frontier with India and Pakistan, where opium is inadequately controlled. This unfortunate situation is another example of the necessity for approaching most national narcotic problems on a regional basis. Burma cannot solve her drug problem alone. She must have cooperation from her neighbors, and will need the help of the United States in securing it. This help we should give if the Government of Burma will agree to accept American advisory assistance in the development and conduct of an effective drug control program.

Burma has a population of 18,000,000 in which there are 2,000,000 Karens and Kachins; 1,600,000 Shans; 300,000 Chinese; and 200,000 Nagas. In each of these five minority groups there is a high incidence of drug usage, and there is the certainty that if it is not materially reduced it will spread to other population groups as these addicted elements are more and more integrated into the Burmese community. At the present time, Burmese officials take the official attitude, typically found in the various dominating national groups of Asiatic countries, that drug

BURMA (Continued)

usage and trafficking is carried on only by non-Burmese. This is not true, actually, and the Burmese must be led to the realization that drug addiction must not be tolerated and cannot be kept confined to minority groups, and that addicts as well as dealers characteristically seek constantly to have others join in their pernicious habits. The government cannot afford to be tolerant of this vice among any of its people if it is to protect its full citizenry from the debilitating effects of narcotics.

The Burmese police have full authority to move against narcotic law violators, but it is their practice to leave this arduous work to the Excise Administration officers. This is a serious and unjustifiable avoidance of a clear police responsibility. The result is that drug dealers and opium den managers cater to addicts in the cities with little worry about police interference. The excise officers are thinly spread over the country, and cannot possibly have the constant impact on any certain area that is a usual police capability. The writer was favorably impressed with the intelligent frankness of U. Bo, the Inspector General of Police, and it is believed that he would be agreeable to the creation of a specially trained and equipped narcotics enforcement agency in his force. This could easily be done, and the effect in the cities would be sensational. Selected police would enjoy this work. All that is required is tactful professional advice, and suggestions to the Excise Administration that it ought to insist that the police give more aid in the fight against drug traffickers. The police should be aided in preparing themselves to do the work along modern procedural lines.

The Combat Police, also under U. Bo's command, are deployed in rural areas and are the best agency to combat opium poppy planters, as well as transporters of opium on the trails, roads, and rivers of the country. These police, also, give a low priority to opium eradication because it is easier to leave the work to the excise agents. An advisory program ought to correct this situation without too much difficulty, inasmuch as the United States is concerned and is giving considerable commodity support to the police. The American Mission should offer to provide a narcotic expert to conduct a training program for police and other drug control officers, and to assist in the development of a police drug law enforcement agency and program.

The Excise Administration in the Ministry of Finance and Revenue is carrying on a narcotic control program, and the directing officials are obviously anxious to achieve success in their task. They do not

BURMA (Continued)

have sufficient trained men or proper equipment, but they do appear to have energy and zeal. An American narcotic expert would be an encouragement to them and would, unquestionably, be able to improve their work. He could do much to convince them that the city police must always be required to be the front line of combat against drug addicts and their local suppliers; that the rural gendarmerie must be charged with the primary responsibility for eradication of poppy cultivation; that the customs inspectors must stop drug smuggling at the ports; that the frontier guards must apprehend opium-carrying border crossers; and that the Excise Narcotic Bureau must organize itself to back-up these agencies by skillful investigative work against organized underworld groups and major violators of the narcotic laws. An American narcotics advisor could also promote cooperation between these several agencies, and through his continuing efforts some degree of coordination would be effected. This is badly needed in Burma.

Prevention of smuggling through the port of Rangoon is a responsibility of Customs, but implementation of anti-smuggling orders is currently expected to be carried on by various agencies. As could be expected, smuggling goes on without much hindrance. There is a great opportunity here for a narcotics advisor to assist the Burmese by aiding them in tightening up their defenses against the wiles and brazen schemes of international drug traffickers. The Collector of Customs at Rangoon appeared to be receptive to advice and would, most likely, follow through on intelligent suggestions and support.

Scheduled airplanes are frequently used by drug traffickers operating from Rangoon, and B.O.A.C. has given this matter considerable attention. I am informed that Mr. Buchanan, of B.O.A.C. in London, has much information regarding the Burmese opium traffic, and that he would welcome the aid of someone in Burma in a solution of the problem. It is likely that an American would be of unique value in securing proper exploitation of information furnished by the Britisher; and in view of the common objectives, there is no reason why this should not be done. An effective means of curtailing the smuggling of narcotics by air from Rangoon (as well as from other airports in South Asia) would be to encourage, by means of heavy penalties when cooperation cannot otherwise be secured, the airline companies to employ anti-smuggling investigative experts to prevent company personnel from participating in smuggling activities. If airline personnel selection and employment policies and practices are related to the probability of smuggling, and if disciplinary action is severe when

BURMA (Continued)

customs derelictions are discovered, the commercial airlines will soon cease to be the heavy transporters of contraband drugs that they are at this time. Apparently B.O.A.C. is attempting to cleanse itself in this instance, but other airlines in the region are doing little or nothing in this respect. An important objective of narcotics advisors in South Asia would be to effect arrangements whereby commercial airlines would be induced to take effective action towards preventing their crew members and ground personnel from smuggling drugs or aiding professional smugglers. There are adequate precedents for such a program in Atlantic and Pacific Ocean commerce. At times in the past it was the only means whereby U. S. Customs was able to reduce flagrant situations.

Burma has a special need for a well equipped and expertly manned laboratory for the conduct of a "Determination of Origin of Opium Research Program." There is great need now for this scientific method of establishing the locale from which seized opium originated, and the need will become of even greater importance in the near future. The Burmese need, now, to know whether opium seized in Rangoon came from Kentung, South Shan, North Shan, Kokang, Wa, or the Kachin hills. The narcotic chemists can be of aid in this respect to the enforcement agencies. Cumulative records of their findings will support the efforts of government officials and legislators to place blame where it is due, and to cause corrective action by responsible authorities in the states and territories. As the Burmese become successful in their own territory, the origin of opium tests will be especially needed in identifying or in corroborating other evidence of the source of opium that will pour into their territory from Communist China, Indian Assam, Laos, and Thailand. Despite the vast amount of contemporaneous literature about this new program, the Chemical Examiner of the Government of Burma had never heard of it. Although he directs a narcotics analysis laboratory, he has little understanding of its possible beneficial relationship to modern drug control investigation. He was given references to literature on this subject, and stated his intention of studying the possibilities.

It is understood that the U. S. is giving considerable assistance in the building and operation of a first class chemical laboratory in Rangoon. This institution will be supervised by the Minister of Industry, who is a chemist and was formerly supervisor of the narcotics laboratory. It is strongly recommended that H. E. U. Chit Thong be urged to provide facilities in the new laboratory for narcotic drugs research, and that he select a competent, interested chemist to give

BURMA (Continued)

his full time to the development of an "origin of opium" program. If the Minister, or one of his assistants concerned with the laboratory, goes to Europe for any reason it should be suggested that they visit the opium research laboratory of the United Nations, at Geneva, and obtain information concerning extension of this program to Burma through the establishment of a "national laboratory." It would be especially desirable for Dr. Maung-Maung Taik, who is a forensic medicine specialist, to visit the Geneva laboratory.

The most serious problem facing Burmese narcotic officials is in the Shan states area. Opium poppy has been cultivated in this area for a very long time and the people, as well as their local rulers, have become accustomed to an unjustified and wrongful freedom in this locally recognized vice. They resisted the efforts of former British administrators to curb the traffic, and have now deliberately become professional criminals in this field. The ruling families and foreign guerrillas are the ones who actually reap large profits from the traffic, but these same individuals are the ones who spread the idea that it is the peasant farmer who insists on continuing this agricultural pursuit. This is false; and the fact is that farmers in the Shan states consider opium poppy to be a very risky crop and would like nothing better than to be permitted to grow other crops of a more stable type. The Sabwas (Chiefs of tribes or tribal areas) in Eastern Burma claim that as much as 90% of their revenue comes from the illicit opium traffic, and American officers in Burma must realize that these men and their dependent supporters are not going to aid anyone in curtailing the traffic, nor are they likely to give facts or correct data on the drug situation in their territories. They profess to be anxious to discontinue the production and use of opium, but insist that they be given costly benefits to offset the loss of their ill-gotten gains. These Sabwas and their landlord followers have enriched themselves over the years through trading illegally in poisonous drugs, and there is little to support a decision by others at this time to enrich them further for doing something which they should have already done, and which they must inevitably do.

During the past several years the Chinese guerrillas (KMT) in the Shan states have assumed almost exclusive responsibility for moving opium shipments out of the area. This is done by animal caravans and vehicles on the ground and, reportedly, by foreign airplanes which bring supplies and take out drugs for barter or sale abroad. It is said that more than 10,000 foreign Chinese illegally residing in the Shan states are engaged in or supported by the illicit traffic in opium.

OFFICIAL USE ONLY

BURMA (Continued)

It is obvious that the drugs handled by these KMT irregulars are not sold locally, and that this commodity is the principal export and source of foreign monetary credits of this guerrilla government. It follows that this unique situation must be a large source of the narcotics used throughout the world, and other nations suffering from the secret drug traffic surely have an interest in coming to the aid of Burma in this instance. The writer doubts that this little packet of Chinese resistance to Communism is much of a threat to the Peoples Republic, nor is it of much benefit to Nationalist China. Instead, because of its opium policies, the guerrilla leadership has forfeited the good opinion of the world, and has made its presence in the area an intolerable nuisance to Burma and Thailand. It is high time this large-scale opium trafficking organization was destroyed. The Government of Burma can easily do this if given the support of the United States and Nationalist China, and this should be forthcoming.

In 1950, or thereabouts, a comprehensive survey of the opium situation in Burma was made by a select committee. The report is supposed to have been definitive as well as corrective in its recommendations. It has never been published, and may have been deliberately suppressed. The names of the survey committee are unknown, except that of Yang Kyau Sein (Jimmy Yang) who is the brother of the Sabu of Kiang, a member of Parliament, and a director of the Union Mills Development Co., Ltd. of Rangoon. Another member may be Sao Sai Long, Sabu of Kentung. The commission's report was in English, and the two men named are supposed to have draft copies. It is believed that U. Yang would permit his copy to be examined and copied and, if so, this should be done by the Embassy and copies forwarded to Washington. The writer would like to have the opportunity to read this document. Mr. Carl J. Nelson, Second Secretary, knows U. Yang, and may be able to obtain his permission to copy the report. Additional information on the drug traffic in Burma is reported to be available in unpublished reports of the following agencies:

Excise Administration

Customs Department

National Police

Agricultural Ministry

Land & Agriculture Planning Commission

Shan States Planning Commission

OFFICIAL USE ONLY

BURMA (Continued)

In these reports are figures pertaining to production; prices in the growing areas as well as in the seaports of Burma and Thailand; quantities sold inside and outside the country under license; and quantities seized. These data should be checked against credible information which can be collected by American personnel whose duties take them into the affected places, and whose collection lists should include the traffic in drugs. Advices given to the writer by Burmese narcotic agents that they would soon be following an army offensive into KMT territory with the mission of destroying opium factories seems to be borne out by a dispatch of 20 May 1959 that troops did advance into the Shan states, and that three large opium factories set up by the Chinese guerrillas were seized. More complete information about these and other large enforcement actions would be valuable.

Dr. Nordal, UNTAA botanist in Burma until recently, is reported to have collected much information regarding the opium situation. This technician has returned to his home in Sweden (?), but has the intention of writing about Burmese opium. Dr. Nordal should be located and interviewed with the idea of reporting on his findings and ideas; and he should be encouraged to prepare a paper on the subject. This would be of special interest because it should be unbiased.

THAILAND

It is the writer's opinion that the port of Bangkok is the most important single source of illicit opium in the world today. It is also the locale for the least amount of corrective effort by responsible American agencies.

The political climate in Thailand today is conducive to an intensification of narcotic controls, as indicated by recent legislation against public opium-smoking dens, and nothing should be permitted to impede the prompt development of a joint Thai-American attack upon the international traffickers operating in the area. Also, the best efforts of the United States Mission in the country should be actively directed towards encouraging the accomplishment of an effective opium eradication program, not only for its benefits to America, but in order to be of aid in removing a blight on the government of a friendly nation.

Corruption in public office arising from the large scale traffic in narcotics is notorious, and it must be admitted that this official attitude is a positive impediment to the development of public confidence

THAILAND (Continued)

in governmental affairs. It is difficult to conceive of a program for assistance in improving public administration that does not recognize the necessity for corrective action in this specific field. A law enforcement improvement program that does not reflect an energetic attitude with respect to narcotic law enforcement in Thailand is incomprehensible. Unfortunately, the writer was unable to discuss narcotic matters with the Thai Government leaders because American officials forbade such contacts. It was explained that many Thai officials, some of great prominence in both civil and military echelons of the government, are involved in the drug traffic, and it might endanger American interests if narcotics were mentioned to them.

The Chief Police Advisor stated that his knowledge of the narcotic situation was scanty, and based on rumor. He stated that he had never mentioned the subject to the Chief of Police or to any other Thai official and could not, therefore, be sure of their ideas on the subject. He said that avoidance of the subject of narcotics when talking to Thai police officials was a policy followed by himself and his subordinates; and he refused to permit the writer to interview any police. It was not clear as to why American advisors are directed to give advice and to seek improvement in several police fields where graft is commonly known to be prevalent, but are forbidden to carry on similar activities in the area of narcotics enforcement.

The Director of U.S.O.M. was on the eve of departure for a S.E.A.T.O. conference in New Zealand, but was kind enough to talk with me briefly about narcotics in Thailand. He spoke freely and most informatively about the seriousness of the drug situation; the participation of leading personages in the illicit business; the large amounts of money involved; methods of movement of drugs; sources of the contraband; destination of the outbound cargoes; and the impropriety of the government's attitude and actions. It is seldom that such accurate and complete information is found in a high official not directly concerned with narcotic drugs control. Nevertheless, the Director refused to permit me to approach any Thai officials and said that he, too, had refrained from mentioning the subject to his contacts in the government.

At the Embassy, several officers were interviewed, including the Deputy Chief of Mission, regarding the narcotic situation. It appears that most of the information concerning opium in Thailand is reported by the U. S. Consul at Chiangmai, and it seems that he has what is

OFFICIAL USE ONLY

THAILAND (Continued)

considered to be an uncalled for sympathy with the opium producers in his district who, it must be admitted, have been profiting unduly from their nefarious business for many years. The historic prohibitory action in Iran in October 1955 proves beyond question or doubt that a government can stop the cultivation of opium poppy without causing distress among farmers. In Iran there were misguided persons who claimed that great suffering would result from prohibition legislation, but in the event, they were proven wrong. Those leaders in Thailand who would like to see the evils of narcotics eradicated in their country (and there are such persons in every nation) ought to be informed of the Iranian program so that they might have the opportunity to judge its applicability to their own situation. There can be no doubt of the need for drastic action in Thailand; in the interest of the people, the government, and those nations in the Pacific Ocean area who suffer from narcotic drugs originating in or transiting through the country.

The Thais pretend that only the Chinese use and traffic in opium; but this is false. They also claim that no opium poppy is grown in the country; and this is also false. They say they are abiding by their treaty obligations, even though a casual examination of conditions refutes their position. Some have said that Thailand should be considered an approved producer and exporter of opium, despite its known record of inability to control, to even the minimum extent, the opium now in its borders. It would, indeed, be a travesty to encourage Thailand to continue, or to increase its planting of poppy. A more commendable action would be to openly urge the government to actively terminate the traffic in drugs; and to offer such aid in the requisite enforcement program as is appropriate.

In Bangkok it is easy to collect information concerning drug traffickers. Some are foreign adventurers, while others are members of old, experienced, well-equipped, and financially strong organizations. One of the organizations is French, and more thorough investigation might reveal that this is the group which supplies the persistent major violators of French nationality who operate in New York City. This French organization uses airplanes to bring the opium to Bangkok, and defends its trade routes with an absolute disregard for the consequences. Americans have been known to try to enter this clandestine business. Thai army personnel are supposed to have moved huge amounts of drugs to the seaport; and personnel of various government agencies vie with each other to control and profit from the traffic. Rumors are

THAILAND (Continued)

rife in Bangkok, and a trained narcotic investigator could soon develop the facts for use by those whom he would find to take action.

Americans in the Public Safety Division of U.S.O.M. have much information pertaining to the production of opium in northern Thailand, and to the transportation of opium from the border areas to Bangkok. It would appear, however, that little of this has been placed in written reports for evaluation and correlation with other intelligence. Failure to consider this factor might, at some time, result in erroneous estimates of considerable import.

It is understood that British authorities are anxious to have the Thais stop the shipment of opium to Hong Kong and Singapore, and presented Americans with a suggestion that a joint or coordinated approach to the Thai Government be undertaken. The United States suffers greatly from heroin produced in these British colonies from opium which has passed through Bangkok, and has an easily justifiable reason for joining with the British action in this instance. American agents are working with British police in Singapore and Hong Kong in an effort to stop the flow of drugs towards America, and it would be entirely proper to further associate ourselves in extending this joint program to Thailand.

HONG KONG and MACAO

There is a tremendous traffic in narcotic drugs in these islands, and little progress is being made in reducing the problem. Addiction to heroin is on the increase, and adds to the anguish of a horribly overcrowded and inadequately supplied community. Clandestine factories for the conversion of opium into heroin operate in both colonies; and in Macao there is little interference by the police. Sellers of drugs are legion, and it is obvious that highly organized and experienced criminals direct the traffic. Distributors operate on a world-wide basis, generally using professional smugglers and unscrupulous seamen to transport their wares but, at times, inveigling young, gullible American servicemen into their dirty work.

There would appear to be little use in approaching the Portuguese authorities in Macao regarding an intensification of their puny program against drug dealers without having first secured from the government in Lisbon some form of strong support, or a powerful commitment to clean up this colonial situation. Because heroin from Macao enters the United States, and the island is a place of refuge for Hong Kong criminals,

OFFICIAL USE ONLY

HONG KONG and MACAO (Continued)

the United States and Great Britain ought to make common cause against the Portuguese in this field. Japan and the Philippines should be invited to add their protests, and to participate in the actions taken regarding the Macao problem. The Government of Portugal should not be expected to be other than amenable to reason in this instance, and it may well be that the failure of the Macao authorities to move effectively against dope peddlers has not been impressively presented to the appropriate officials in Lisbon.

Prior to such an approach it would be well to carefully evaluate the evidence against the Portuguese before documentation. The situation is so bad, and so long-continued that generalized accusations are made commonly with, perhaps, inadequate support at times. As an example, British police are accustomed to saying that no opium comes into Hong Kong colony. Instead, they insist that opium from Bangkok flows easily into Macao, and the heroin factories there produce all the white drug that is used in Kowloon and Victoria. This is not exactly correct, and could easily be refuted by the Portuguese on the convenient basis of published reports of British police successes. As a matter of fact, the British regularly seize eight or ten heroin factories each year in their colony, and it must be realized that there are probably several times as many factories that are not discovered by the police. Opium, therefore, must necessarily be successfully smuggled into Hong Kong in large quantities to supply the raw material for these factories, and it is obvious that all the heroin in the area is not manufactured in the semi-hidden laboratories in Macao.

Another British practice ought to be discontinued before a joint approach is made to the Government of Portugal. This is the procedure whereby important violators of drug laws apprehended in Hong Kong Colony are punished simply by deporting them to Macao. This is small punishment; for the culprit easily comes and goes through the islands as he wills, and continues his previous drug trafficking with no more than slightly increased inconvenience. These Chinese drug traffickers apprehended in Hong Kong are not Portuguese, and it is poor practice to accept their plea for deportation to Macao. So far as the dealers and smugglers are concerned, it would be far better to hold them in prison if they cannot be returned to the mainland. Sending convicted drug peddlers to Macao smacks of an award and is in no way punitive. The Portuguese could claim, with some justification, that the dumping of these notorious criminals in their midst is the cause of the situation complained of by the dumpers.

HONG KONG and MACAO (Continued)

the United States and Great Britain ought to make common cause against the Portuguese in this field. Japan and the Philippines should be invited to add their protests, and to participate in the actions taken regarding the Macao problem. The Government of Portugal should not be expected to be other than amenable to reason in this instance, and it may well be that the failure of the Macao authorities to move effectively against dope peddlers has not been impressively presented to the appropriate officials in Lisbon.

Prior to such an approach it would be well to carefully evaluate the evidence against the Portuguese before documentation. The situation is so bad, and so long-continued that generalized accusations are made commonly with, perhaps, inadequate support at times. As an example, British police are accustomed to saying that no opium comes into Hong Kong colony. Instead, they insist that opium from Bangkok flows easily into Macao, and the heroin factories there produce all the white drug that is used in Kowloon and Victoria. This is not exactly correct, and could easily be refuted by the Portuguese on the convenient basis of published reports of British police successes. As a matter of fact, the British regularly seize eight or ten heroin factories each year in their colony, and it must be realized that there are probably several times as many factories that are not discovered by the police. Opium, therefore, must necessarily be successfully smuggled into Hong Kong in large quantities to supply the raw material for these factories, and it is obvious that all the heroin in the area is not manufactured in the semi-hidden laboratories in Macao.

Another British practice ought to be discontinued before a joint approach is made to the Government of Portugal. This is the procedure whereby important violators of drug laws apprehended in Hong Kong Colony are punished simply by deporting them to Macao. This is small punishment; for the culprit easily comes and goes through the islands as he wills, and continues his previous drug trafficking with no more than slightly increased inconvenience. These Chinese drug traffickers apprehended in Hong Kong are not Portuguese, and it is poor practice to accept their plea for deportation to Macao. So far as the dealers and smugglers are concerned, it would be far better to hold them in prison if they cannot be returned to the mainland. Sending convicted drug peddlers to Macao smacks of an award and is in no way punitive. The Portuguese could claim, with some justification, that the dumping of these notorious criminals in their midst is the cause of the situation complained of by the dumpers.

HONG KONG and MACAO (Continued)

The rank and file of the Hong Kong police are doing a magnificent job of apprehending drug law violators. Each year some 15,000 arrests are made. If this enormous number of "street cases" made by the regular police were properly exploited, and if court dispositions were satisfactory, the drug problem would rapidly disappear. No underworld could stand up against such police action. The fact is, however, that the British authorities have not provided an adequate investigative element in their police force to develop the investigative leads that normally exist in all such cases. There is a small unit (about 20 persons) that is charged with the special investigation of narcotic matters, but this force is quartered well away from ordinary police premises and appears to spend a great part of its time on special cases originated by its personnel of the Americans. This unit is much too small to accomplish its total mission. An obvious need is a large (initially 200 detectives) narcotic investigative unit operating in close association with the patrol elements under supervision of the Chief of Detectives. It should be charged with the duty of following up every arrest and seizure made by other police with the objective of developing competent evidence against successive principal violators, and discovering the source of supply of each person arrested. Personnel for this narcotic investigative unit must be given a course of training, and should be especially skillful in the handling of informers, interrogation of persons, use of technical aids, preparation of modern operandi records and reports, correlation of information and evidence, use of the laws of conspiracy, and assisting the prosecutor. The Acting Chief of Detectives agreed with the writer's comments but said that establishment of such a force in his department had been disapproved. The creation of the required special unit is an easy capability of the Hong Kong police, and they should be encouraged to take this action by those nations who suffer from heroin smuggled out of the port. A list of such nations includes the United States, Japan, China, and the Philippines.

American customs agents stationed at Hong Kong are working closely with the British police and other agencies in the colony on cases involving Americans or the movement of drugs to the United States. This is important work, and they are of great value to the local British authorities in connection with international investigations. These customs agents also collect much information of value to anti-narcotic offices in the United States. It may well be that these officials could influence the British authorities in Hong Kong to act favorably on suggestions submitted in this report.

OFFICIAL USE ONLY

HONG KONG and MACAO (Continued)

It is worth repeating here that the work being done at Hong Kong cannot be entirely successful as long as Bangkok and Rangoon are permitted to continue as "free ports" for drugs. It is known that the Bureau of Customs desires to advance its narcotic defenses to South Asia, but it has not had effective support from the State Department in this endeavor. The Deputy Commissioner of Customs was rebuffed at Bangkok, in about the same manner as was the writer, when he sought permission to talk with Thai officials about a program for attacking the smuggling problem. It should be noted that the U.S. Customs has prepared an agent especially for duty in Thailand, and every resource should be utilized to effect arrangements whereby such a person could be properly accredited to the responsible Thai government agencies.

JAPAN

It was surprising to find that Japan is becoming a producer of opium. It can be expected that this crop will be "for domestic purposes only" for a short time, but that soon Japanese opium will appear in the world's legitimate, and illegitimate commerce.

It was stated that at this time there are 940 farmers licensed to plant opium poppy on approximately 320 acres of ground. Production was reported as about 4,000 pounds. There is considerable unlicensed cultivation of poppy, as evidenced by the fact that 123 persons were arrested during the past year on charges pertaining to diversion of drug at the farm level. There are indications that the quantity of raw opium actually produced may be more than double that which is delivered to government purchasers.

Heroin is the common drug of addiction in Japan, and large quantities are smuggled into the country from Hong Kong, Macao, and from South and North Korea. It is stated by the Japanese that the best opium is grown in North Korea, and that this drug is sent to Japan for sale in order to obtain funds for support of espionage by Communist agents. It is also known that opium shipped from Bangkok is used to produce the heroin in Hong Kong and Macao Colonies that is smuggled into Japan.

Professor Asahina and Chemist Inoue are attempting to develop a research program for the scientific determination of origin of drugs. Mr. Inoue has received training at the U. N. Narcotics Laboratory at

JAPAN (Continued)

Geneva during the past year. The American Mission at Tokyo should arrange to maintain contact with these researchers, and to offer any practical aid, as any success they achieve will be of interest to the United States. The Japanese should be encouraged to develop scientific evidence of the foreign origin of seized drugs, with special emphasis on North Korea and the Kwantung and Yunnan provinces of Communist China. The research program will produce, almost certainly, additional evidence of the culpability of Burma, Thailand, and South Korea. The Japanese chemists will attempt to develop techniques for determining the domestic rural-farm origin of opium seized by the police inside Japan, and successes should be reported so that similar programs may be furthered in other places.

Statistics show that 90% of the narcotic cases developed by the Japanese enforcement agencies have only one defendant. In Osaka during a single year there were 169 cases with 170 defendants. The Japanese police can be highly efficient, and they have the capability of developing evidence against those who have collaborated with the arrested person, as well as against those who directed the illegal action, supplied the drugs, and profited from the business. There is little excuse for failure in most instances. Narcotic trafficking in Japan is organized, and cases against entire organizations should be made. It is believed that tactful suggestions by Americans along this line will result in better police work in this field.

The Japanese position with respect to the South Asiatic narcotic traffic is similar to the position of the United States. Both countries receive large quantities of heroin from British Hong Kong and Portuguese Macao, and both governments know that this heroin, to a large extent, is made from opium that comes from or through Burma and Thailand. Japan should take a more explicit attitude regarding the culpability of the offending governments, and should be called upon to present her evidence so that it could have an effect in securing corrective action where needed. This should be done not only in meetings of the United Nations, but also in regional efforts to correct local conditions.

1. The illicit production of opium in South Asia continues to be large, and the diversion of legally cultivated opium in the same area is on the increase.
2. Little success is being achieved in the fight against criminal heroin manufacturers in Asia.
3. Narcotic law enforcement is non-existent in some countries, and inadequate in most.
4. In each South Asian country there is a significant lack of knowledge and, indeed, a lack of interest in the narcotic situation in other areas, even though domestic conditions are international in effect.
5. American Missions are not giving due consideration to narcotic conditions, and are not complying with the intent of instructions in the F.S.M. relating to narcotics.
6. Visits of American narcotic enforcement officials to Asian countries are essential to orient and energize U. S. personnel, to encourage the anti-narcotic elements among the citizenry, and to spur the responsible officials.
7. Assignment of narcotic experts to American Missions in South Asia would do much to give vigor to the overall program.
8. There is a need for better orientation of American overseas personnel who may come into contact with narcotic situations, and for continuing direction of their actions in this field.

CONCLUSIONS

RECOMMENDATIONS

1. That this report be circularized to U. S. Missions in the countries named for consideration of the matters discussed, and for such action as is indicated.
2. That copies of this report be furnished to U. S. Missions in Turkey, Syria, Lebanon, Egypt, Afghanistan, Laos, Cambodia, Viet-Nam, Philippines, and Singapore for information and consideration in the light of similar prevailing conditions.
3. That Narcotics Advisors be assigned to the ICA Missions in Thailand and in Burma, and arrangements be effected so that these advisors work with all government agencies having narcotic control responsibilities.
4. That the U. S. Bureau of Narcotics establish a district in South Asia, with Headquarters at Calcutta, and sub-offices to the east and west. That a district also be established in the Near East, with headquarters in Beirut, and sub-offices in Turkey and Egypt. (Personnel assigned to these offices will be fully operational, and their presence will not reduce the requirement for ICA advisors.)
5. That more time be allocated to the subject of narcotics in the Foreign Service Officer's training program, and that appropriate narcotic instruction be given to personnel destined for overseas assignments from the following agencies:

International Cooperation Administration
Department of Agriculture
Public Health Service
Army Attaches
Central Intelligence Agency.

Further, that there be established in the State Department a desk for the continuing guidance of overseas personnel of the various agencies in the collection of narcotic intelligence, and the accomplishment of United States aims in this field.

BRENN

OFFICIAL USE ONLY